



August 5, 2022
Via Electronic Mail

Ann E. Misback
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 2055

Chief Counsel's Office
Attention: Comment Processing
Office of the Comptroller of the Currency
400 7th Street, SW, Suite 3E-218
Washington, DC 20219

James P. Sheesley, Assistant Executive Secretary
Attention: Comments RIN 3064-AF81
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Re: Question 13, Economic development Provisions of the Community Reinvestment Act Regulations
Docket (R-1769) and RIN (7100-AG29)

To Whom It May Concern:

I am writing in response to the proposed rule changes under Question 13 of the Community Reinvestment Act recommended by the Federal Reserve (Red), Federal Deposit Insurance Corporation (FDIC), and the Office of the Currency Comptroller (OCC). As a national leader of the Black tech community and based in Atlanta GA for over 20 years and as a Black fund manager, I would like to express the harmful effects this proposal will have on the Black community, to Black and minority fund managers as well as Black and other minority entrepreneurs. **We urge the regulator agencies to retain language that allows banks and intermediaries to qualify investments based on the “size and purpose test” that promote low- and moderate-income job creation, retention and improvement.**

As way of introduction, my name is Rodney Sampson. I'm the Executive Chairman and Chief Executive Officer of Opportunity Hub (OHUB), an inclusive innovation, entrepreneurship and investment ecosystem building platform designed to ensure that everyone, everywhere has equitable access to the future of work, fourth industrial revolution and beyond as a path to multi-generational wealth creation with no reliance on pre-existing multi-generational wealth. We accomplish this via our early exposure initiatives with organizations like Omega Psi Phi Fraternity, Inc. and The Links, Inc. and IBM Skillsbuild; our immersive learning programs that prepare adults for in-demand technology jobs in technical sales, software engineering and cybersecurity specialist; our startup support programming designed to ideate, pre-accelerate, accelerate and incubate new high growth, venture backable companies; and last but not least, and very important, our early stage venture capital firm, 100 Black Angels & Allies Fund.

OHUB impact thousands of college students, adult learners and entrepreneurs every year. We've launched programs like CodeStart, YesWeCodeFund, and HBCU@SXSW where we have helped over 1,700 Americans from socially and economically disadvantaged backgrounds interview and get hired by large tech companies and startups. We've opened multiple co-working spaces and technology hubs, including an innovation lab near Georgia Tech that invested in over 40 high growth tech startups that have raised over \$400M in funding and employ over 2,000. We partnered with The Federal Reserve Bank of Kansas City to publish "Building Inclusive Entrepreneurship Ecosystems In Communities of Color" to provide guidelines on the important and methodology of building inclusive entrepreneurial ecosystems. We partnered with the Brookings Institution to publish "Building racial equity in tech ecosystems to spur local recovery" to provide a funding roadmap for government and industry to solve for parity and equality in the technology, startup and venture ecosystem at scale.

As one of the very first Black entrepreneurs in America to raise venture capital for my first software start up over 22 years ago and having advised and invested in countless other minority-operated companies, I can tell you from firsthand experience that raising money as a Black founder and operator is hard. It is challenging when the company is small and it is still comparatively challenging as the company grows. By changing the qualifying criteria to only include businesses that generate less than \$5M in revenue, there are a large number of small businesses that will be left out regardless of the impact they are having on the lives of LMI individuals and communities.

Perhaps the only thing harder than raising money as a Black founder is raising money as an emerging Black fund manager. I've experienced these challenges firsthand raising capital for my fund, 100 Black Angels and Allies Fund I, as a Limited Partner in emerging fund manager and as a Senior Advisor to several other minority emerging fund managers. I've seen the additional challenges they face compared to their white-led counterparts. That said, as an advisor and investment committee member of the Fearless Fund, a black woman-run venture fund designed to invest in woman of color founders, I saw firsthand the impact that CRA can have on helping minority emerging managers when several banks stood up and helped anchor their fund from their CRA budgets.

Those investments from the banks would not have happened without the size and purpose test to give them confidence of receiving CRA credit and as first-time fund managers, it is sadly highly unlikely that the banks would have invested from their other pools of capital. And the hurdle is too high for emerging managers to receive an SBIC license. If we want to create a more equitable society, it is crucial that

minority fund managers are better supported and CRA can be a critical way to do that. But we shouldn't limit it to just funds that invest in small businesses with less than \$5M in revenue. Minority founders need support at every stage as they grow their businesses.

The Community Reinvestment Act was enacted because low- and moderate-income communities, which were predominantly minority communities, were being systematically segregated and discriminated against. CRA was created as a tool to help combat that, to encourage banks to get out of their comfort zone and expand the areas where they would invest. We should continue to encourage banks to continue to expand their impact, not limit it by narrowly defining which investments counts for CRA credit based on what is easy to track.

I would like to take a moment to thank University Growth Fund for bringing this important issue to my attention, for bringing their internship program to Atlanta to help our students of color here, and for inviting some of their bank investors to join them in supporting our community through donations and investments in funds like Fearless Fund. I strong urge the regulatory agencies to retain the separate component for job creation, retention, and improvement for LMI individuals and areas (and areas for redevelopment) under the economic development definition so that innovative funds like UGF, Fearless Fund and so many others are able to continue to impact LMI communities around the country.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Rodney Sampson', with a stylized, cursive script.

Rodney Sampson
Executive Chairman, Opportunity Hub
General Partner, 100 Black Angels & Allies Fund I
Nonresident Senior Partner, Brookings Institution